

AMENDED IN ASSEMBLY MARCH 14, 2001

AMENDED IN ASSEMBLY MARCH 5, 2001

CALIFORNIA LEGISLATURE—2001–02 FIRST EXTRAORDINARY SESSION

## ASSEMBLY BILL

**No. 41**

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**Introduced by Assembly Members Lowenthal and Nakano**  
**(Coauthors: Assembly Members Alquist, Corbett, Keeley, Kehoe,**  
**Koretz, Shelley, and Wayne)**

February 9, 2001

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An act to add Chapter 4.7 (commencing with Section 25370) to Division 15 of the Public Resources Code, relating to energy, making an appropriation therefor, and declaring the urgency thereof.

### LEGISLATIVE COUNSEL'S DIGEST

AB 41, as amended, Lowenthal. Shopping centers: energy conservation loans.

Existing law requires the State Energy Resources Conservation and Development Commission to administer a program of grants and loans with respect to energy efficiency measures and programs.

This bill would authorize the owner of any shopping center, defined by the bill to mean a group of 2 or more retail stores that use common parking facilities or that open to an enclosed common area *or a retail store that is at least 1,500 square feet, to request an energy audit to be performed by an electrical corporation or local publicly owned electric utility, as defined, and apply to the commission for an energy audit and a loan for energy conservation projects identified by that audit.* The bill would authorize the commission to disburse loans and establish procedures for the application, disbursement, and repayment of loans,

as specified. *The bill would limit eligibility for the loans to energy conservation projects that are implemented no later than October 31, 2001.*

The bill would create the Energy Conservation Loans to Shopping Centers Account in the General Fund and would continuously appropriate the money in that account to the commission to carry out the bill. *The bill would require that any funds in the account not encumbered by October 31, 2001, be transferred to the General Fund.*

The bill would transfer \$50,000,000 from the General Fund to the account, for expenditure by the commission, ~~without regard to fiscal years, of which \$10,000,000 would be required to be expended by the commission for purposes of providing energy audits and \$40,000,000 for outreach and making loans pursuant to the bill.~~

The bill would declare that it is to take effect immediately as an urgency statute.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Chapter 4.7 (commencing with Section 25370) is added to Division 15 of the Public Resources Code, to read:

CHAPTER 4.7. ENERGY CONSERVATION LOANS TO SHOPPING CENTERS

25370. The Legislature finds and declares that the use of automatic indoor lighting systems and other energy conservation measures in shopping centers will reduce energy usage without negatively impacting customer experience.

25370.5. (a) "Allocation" means a loan of funds by the commission pursuant to the procedures specified in this chapter.

(b) "Eligible energy conservation project" means an energy conservation measure, as defined in subdivision (f) of Section 25411 or an energy conservation project, as defined in subdivision (g) of Section 25411, that has been determined as appropriate for the shopping center by an energy audit performed pursuant to Section 25371.

(c) "Shopping center," for purposes of this chapter, means a group of two or more retail stores that use common parking

1 facilities or that open to an enclosed common area *or a retail store*  
2 *that is at least 1,500 square feet.*

3 ~~25371. (a) The commission shall establish a program to~~  
4 ~~perform an energy audit, as defined in subdivision (d) of Section~~  
5 ~~25411, for any shopping center that submits a request for an energy~~  
6 ~~audit to the commission.~~

7 ~~(b) The owner of any shopping center may request the~~  
8 ~~commission to perform an energy audit pursuant to subdivision~~  
9 ~~(a).~~

10 ~~(c) The commission~~

11 ~~25371. (a) An electrical corporation, as defined in Section~~  
12 ~~218 of the Public Utilities Code, or a local publicly owned electric~~  
13 ~~utility, as defined in subdivision (d) of Section 9604 of the Public~~  
14 ~~Utilities Code, shall perform an energy audit for the owner of a~~  
15 ~~shopping center upon the request of the shopping center.~~

16 ~~(b) Electrical corporations and local publicly owned electric~~  
17 ~~utilities shall perform outreach to inform shopping centers and~~  
18 ~~retail businesses within a shopping center of the availability of~~  
19 ~~energy audits pursuant to subdivision (a).~~

20 ~~25372. (a) Any owner of a shopping center or a retail~~  
21 ~~business within a shopping center may submit an application to the~~  
22 ~~commission for an allocation for the purpose of financing all, or~~  
23 ~~a portion of, the costs incurred in implementing an eligible energy~~  
24 ~~conservation project. The application shall be in a form and shall~~  
25 ~~contain information that the commission prescribes.~~

26 ~~(b) The commission may make a loan pursuant to this chapter~~  
27 ~~to a shopping center or a retail business within a shopping center~~  
28 ~~for the purpose of financing all, or a portion of, the costs incurred~~  
29 ~~in implementing an eligible energy conservation project.~~

30 ~~(c) (1) The commission shall establish procedures for~~  
31 ~~applications and disbursements of allocations.~~

32 ~~(2) The commission shall establish procedures for repayment~~  
33 ~~of allocations on the basis of the estimated life-cycle of the eligible~~  
34 ~~energy conservation project.~~

35 ~~(3) The commission may establish qualifications and priorities,~~  
36 ~~consistent with the objectives of this chapter, for making~~  
37 ~~allocations.~~

38 ~~(4) The commission may establish any procedure or policy~~  
39 ~~necessary for the administration of this chapter.~~

1 (5) *The commission shall perform outreach to inform shopping*  
2 *centers and retail businesses within a shopping center of the*  
3 *availability of loans pursuant to subdivision (b).*

4 (6) *The commission shall limit eligibility for loans made*  
5 *pursuant to subdivision (b) to energy conservation projects that*  
6 *will be implemented no later than October 31, 2001.*

7 (d) Notwithstanding any other provision of law, the  
8 commission shall periodically set interest rates on the loans based  
9 on surveys of existing financial markets and at rates not lower than  
10 the Pooled Money Investment Account.

11 25372.5. (a) An allocation made pursuant to this chapter  
12 shall be used for the purposes specified in the approved  
13 application.

14 (b) If the commission determines that an allocation has been  
15 expended for purposes other than those specified in an approved  
16 application, it shall immediately request the return of the full  
17 amount of the allocation. The shopping center or retail business  
18 within a shopping center shall immediately comply with this  
19 request.

20 25373. (a) The Energy Conservation Loans to Shopping  
21 Centers Account is hereby established in the General Fund.  
22 Notwithstanding Section 13340 of the Government Code, the  
23 account is continuously appropriated to the commission without  
24 regard to fiscal year.

25 (b) The money in the account shall consist of all money  
26 authorized or required to be deposited in the account by the  
27 Legislature and all money received by the commission pursuant to  
28 repayment of the allocations under this chapter.

29 (c) The money in the account shall be disbursed by the  
30 Controller for the purposes of this chapter as authorized by the  
31 commission.

32 (d) The funds received from repayment of allocations shall be  
33 deposited in the account and may be expended by the commission  
34 for the purposes of providing ~~energy audits and~~ allocations  
35 pursuant to this chapter; *provided, however, that after October 31,*  
36 *2001, the funds received from the repayment of allocations under*  
37 *this chapter shall be deposited in the General Fund.*

38 (e) The commission may annually spend an amount, not to  
39 exceed 5 percent of the amount annually deposited in, or

transferred to, the account to pay for the actual administrative costs incurred by the commission pursuant to this chapter.

*(f) Notwithstanding any other provision of law, any funds in the account that are not encumbered by October 31, 2001, shall be transferred to the General Fund.*

SEC. 2. The sum of fifty million dollars (\$50,000,000) is hereby transferred from the General Fund to the Energy Conservation Loans to Shopping Centers Account, for expenditure by the State Energy Resources Conservation and Development Commission ~~to fiscal years, as scheduled:~~

~~(a) Ten million dollars (\$10,000,000) to be expended by the commission for performing energy audits and outreach pursuant to Section 25371 of the Public Resources Code.~~

~~(b) Forty million dollars (\$40,000,000), to be expended by the commission for the for the purposes of outreach and the allocation of loans pursuant to Chapter 4.7 (commencing with Section 25370) of Division 15 of the Public Resources Code.~~

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide loans for energy conservation projects for shopping centers as quickly as possible to help avoid electrical energy shortages, it is necessary that this act take effect immediately.

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